



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, D.C. 20410-9000

THE GOVERNMENT NATIONAL
MORTGAGE ASSOCIATION

May 10, 1999

99-17

MEMORANDUM FOR: All Participants in Ginnie Mae Programs

FROM: George S. Anderson, Executive Vice President

SUBJECT: Rationing of Commitment Authority

Due to the high level of new construction and mortgage refinancing activity in 1999, effective immediately, Ginnie Mae is instituting temporary procedures to ration commitment authority. This will ensure the equitable allocation of remaining commitment authority while the request for supplemental authority is being considered by Congress.

Until further notice, Ginnie Mae will limit the approval of commitment requests to an amount estimated to cover issuer needs for a 60-day period. To help us fairly evaluate requests until Ginnie Mae receives additional commitment authority, Ginnie Mae is asking issuers to document their requests by preparing a "Certificate of Need" (a copy is attached). Ginnie Mae may approve requests for less than the full amount requested.

If Ginnie Mae exhausts its remaining authority before additional commitment authority is approved, an issuer may have its request returned or left with Ginnie Mae to be processed on a first-come, first-served basis after commitment authority is restored. While fees covering requests that are on hold must be deposited by Ginnie Mae upon receipt, an issuer may choose to withdraw its request at any time and those fees will be refunded promptly upon receipt of a written request. Requests for commitment fee refunds may be made by writing to your assigned Ginnie Mae Account Executive.

Ginnie Mae appreciates your patience and cooperation and wants to assure the issuer community that it will review all commitment requests on a case-by-case basis, and will contact you by telephone for additional information, as necessary.

Any questions regarding this memorandum should be addressed to your Account Executive in the Office of Customer Service at (202) 708-1535 or the Office of Multifamily Programs at (202) 708-2043.

Attachment

GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

CERTIFICATE OF NEED

I, _____ (Corporate Officer),
of _____ (Issuer), _____ (Ginnie Mae
ID#) _____ (Name of Issuer) certify that the
following is true to the best of my knowledge and belief:

Issuer does not have adequate commitment authority to cover
its anticipated Ginnie Mae security issuance for the
following two months. This is an estimate of need which is
based on the criteria listed below:

<u>DESCRIPTION</u>	<u>AMOUNT</u> (Thousands)
a. Approved mortgage loans ready for conversion into Ginnie Mae Securities	\$ _____
b. Approved loan applications in process	+ _____
c. Other needs (Please attach explanation)	+ _____
d. Less: Unused Commitment Authority held by issuer.	- _____
TOTAL	= _____

Amount of Ginnie Mae securities issued in prior two months
\$ _____

Amount of Ginnie Mae securities scheduled for issuance in
the next two months (Note the sum of a. through c. above)

Month 1 _____
Month 2 _____

Issuer requires \$ _____ in
additional commitment authority to cover such issuance
during the next two months.

(Signature of Declarant)

Date _____